MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

Summary of the June 18, 2014 Board of Directors Meeting

The following individuals were present at the meeting:

Directors and Alternates, Acting as Directors:

- John Kerry, Secretary of State (Chair);
- Sarah Bloom Raskin, Deputy Secretary of the Treasury (attending for Secretary of the Treasury) (Vice Chair);
- Eric Postel, Assistant Administrator for Bureau of Economic Growth, Education and Environment, U.S. Agency for International Development (USAID)(attending for Dr. Rajiv Shah, Administrator);
- Michael Froman, United States Trade Representative (USTR);
- Dana Hyde, Chief Executive Officer, MCC;
- Lorne Craner, Private Sector Board Member;
- Morton Halperin, private Sector Board Member;
- Mark Green, Private Sector Board Member; and,
- Susan McCue, Private Sector Board Member.

Invited Guests:

- Gayle Smith, Special Assistant to the President and Senior Director, National Security Council (NSC), and
- Cristina Killingsworth, Program Examiner, Office of Management and Budget (OMB).

Other Participants:

1. William Craft (State+1)
2. David Atteberry (USAID+1)
3. Adna Karamehic-Oates (Mr. Halperin+1)
4. Parita Shah (MCC+1)
5. Monica Kladakis (Mr. Craner+1)
6. Adrienne Harris (Treasury+1)
7. Rachel Fredman (Treasury)
8. Mary Ryckman (USTR+1)
9. Michael Carroll (USAID/OIG)
10. Sheila Herrling (MCC)

11. Kamran Khan (MCC)
12. Sarah Lucas (Ms. McCue+1)
13. Roland DeMarcellus (State)
14. Daniella Ballou-Aares (State)
15. Rebecca Grutz (State)
16. John Hurley (Treasury)
17. Virginia Brown (USAID)
18. Matt Vogel (USTR)
19. Behnaz Kibria (USTR)
20. Kyeh Kim (MCC)
21. Jonathan Bloom (MCC)
22. Matthew Bohn (MCC)
23. Thomas G. Hohenthaner (MCC)
24. Paul Weinberger (MCC)
25. Chantale Wong (MCC)
26. Cassandra Butts (MCC)
27. John Mantini (MCC)
28. Jim Mazzarella (MCC)
29. Tom Kelly (MCC)
30. Kristina McNeff (MCC)
31. Barry Daren (MCC)
32. Katerina Ntep (MCC)
33. Alicia Phillips Mandaville (MCC)
34. Chris Maloney (MCC)
35. Antonio Guzman (MCC)
36. Deidra Fair James (MCC)
37. Ellen Moran (MCC)
38. Audrey Yiadom (MCC)
39. Pamela Woodard (MCC)

1. The Board approved the minutes from the March 26, 2014, Board meeting.
2. *CEO Update*. Ms. Hyde began by sharing her view that MCC's greatest asset is its clear and focused mission of economic growth and that its operation model is delivering results and driving policy reforms in the developing world. Opportunities for Board consideration going forward include:
    1. use of MCC compacts as platforms for targeted U.S. Government engagement;
    2. greater structuring of compacts to tie investment to policy reform results; and
    3. exploration of new authorities and approaches to align aid and trade policies, build regional integration through regional investment and work at the sub-national level.
3. *Ghana Compact*. The Board received an update and presentation on a proposed compact with Ghana by the Department of Compact Operations. Problems in the Ghanaian power sector were identified as a key constraint to growth. The proposed compact, developed through USG collaboration involving Power Africa, Partnership for Growth, NSC, USAID and the U.S. Embassy in Accra, offers a comprehensive solution for addressing the problems in two tranches. The first tranche is designed to increase access to power, aid in Ghana's transition to cleaner fuels and increase generation from renewable sources, improve energy efficiency and contribute to global efforts to reduce carbon emissions, and catalyze private investment. The second, incentive-based, tranche of compact funding would be triggered only if the Government of Ghana takes certain

actions resulting in execution of a private sector partnership involving the Electric Company of Ghana. It is anticipated that the compact will be presented to the Board for approval by written consent prior to the African Leaders Summit in August.

4. *Strategic Selection Issues: Subsequent Compacts*. The Board then received a presentation on opportunities for development impact by using subsequent compacts as a means of putting countries on a self-sustaining growth path. Of sixteen countries that have concluded MCC compacts, eight have been selected as subsequent compact partners. Elements consistently considered in all Board selection decisions concerning subsequent compacts to date include:
    1. policy scorecard performance;
    2. performance in the first compact; and
    3. country specific considerations which include opportunities, policy considerations and/or timing.

The Board will undertake more in depth discussion of policy considerations and criteria related to subsequent compacts.

The Board meeting adjourned at 11:01 a.m.